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101719Z Jun 05

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INFO	LOG-00	NP-00	AID-00	CA-00	CEA-01	CIAE-00	COME-00
	CTME-00	INL-00	DODE-00	DOEE-00	ITCE-00	DOTE-00	ANHR-00
	WHA-00	DS-00	EAP-00	EB-00	EXME-00	OIGO-00	E-00
	FAAE-00	UTED-00	VC-00	FRB-00	H-00	TEDE-00	INR-00
	LAB-01	L-00	VCE-00	AC-00	NEA-00	NSAE-00	NSCE-00
	OES-00	OIG-00	OMB-00	NIMA-00	EPAU-00	CAEX-00	MCC-00
	PER-00	GIWI-00	ACE-00	SP-00	IRM-00	SSO-00	SS-00
	STR-00	TRSE-00	SA-00	FMP-00	BBG-00	EPAE-00	IIP-00
	SCRS-00	DSCC-00	PRM-00	DRL-00	G-00	NFAT-00	SAS-00
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TO SECSTATE WASHDC PRIORITY 8720  
INFO ECOWAS COLLECTIVE PRIORITY  
AMEMBASSY ABIDJAN PRIORITY  
AMEMBASSY ABUJA PRIORITY  
AMEMBASSY BRASILIA PRIORITY  
AMEMBASSY CONAKRY PRIORITY  
AMEMBASSY JAKARTA PRIORITY  
AMEMBASSY KUALA LUMPUR PRIORITY  
AMEMBASSY QUITO PRIORITY  
AMEMBASSY YAOUNDE PRIORITY  
AMCONSUL LAHORE PRIORITY  
DEPT OF AGRICULTURE WASHDC PRIORITY 0079  
DEPT OF LABOR WASHDC PRIORITY

UNCLAS ACCRA 001148

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SENSITIVE

E.O. 12958: N/A  
TAGS: [EAGR](#) [EAID](#) [ECON](#) [EIND](#) [ELAB](#) [ETRD](#) [GH](#) [PGOV](#) [PREL](#)  
SUBJECT: U.S. CHOCOLATE MANUFACTURERS IN GHANA TO WORK ON  
CHILD LABOR/COCOA ISSUE

REF: ACCRA 00754

1. (SBU) Summary: The U.S. chocolate industry is pressuring the GOG to issue a high level statement no later than mid-June declaring its commitment to eliminate child labor from the cocoa sector. Industry reps hope such a step may persuade members of Congress to drop draft legislation that would require chocolate to be certified as child labor-free. Members of the Congress have indicated they are reconsidering such legislation if industry fails to meet a July 1 deadline to certify that cocoa used in its products does not rely on the worst forms of child labor. Post has met with the U.S. manufacturers and engaged the Foreign Minister, Trade Minister and staff at the Presidency on the cocoa/child labor issue. End summary.

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MEETING WITH MINISTRY OF MANPOWER  
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2. (SBU) After World Cocoa Foundation and other industry meetings in Brussels in May, U.S. industry reps traveled to Ghana to press the GOG to adopt their certification proposal. In a meeting on May 24, Mars and Hershey's reps outlined for the Ministry of Manpower, Youth and Employment (MMYE) a process in which a GOG agency would certify a statistically representative sample of Ghana's yearly crop each fall and issue an annual report the following spring. U.S. manufacturers believe this approach is far more realistic and affordable than attempting to guarantee that no child labor is used on any of Ghana's estimated 800,000 cocoa farms. This approach may adapt the survey tools and monitoring performed by volunteer district-level committees as piloted in the West African Commercial Agricultural Project (WACAP), a program jointly funded by the U.S. Department of Labor and industry that is designed to identify and remove child laborers from cocoa farms (see reftel). (Note: In the WACAP model, the International Labor Organization (ILO) pays for each child laborer's school fees or vocational training. In some cases, ILO provides modest assistance to the child's parents as well. End note.) According to U.S. industry's proposal, an independent group composed of NGO representatives would then verify the results of the GOG's certification. Such a group already exists, and includes child labor experts from several organizations. The group conducted a pilot of its verification process and took field visits with MMYE officials in Ghana the week of May 27. MMYE is continuing working sessions to determine the report's structure and whether it will cover all child labor or all child labor in agriculture rather than just the cocoa sector.

3. (SBU) In the May 24 meeting, U.S. manufacturers advocated

targeted social programs to address those cocoa-producing communities with the highest incidence of or most severe child labor. However, industry reps did not offer any details on how much financial support, if any, they are willing to contribute. They told MMYE officials that only a GOG-funded certification process would be credible to Congress and industry critics. Initially, MMYE Chief Director Addai Kyeremeh countered that stakeholders felt industry and consumers of Ghana's cocoa should finance a certification solution. Then MMYE Deputy Minister for Social Development Akosua Frema Osei-Opare interjected that she was willing to explore a partnership between the GOG and industry to arrive at a solution. She hinted that development partners such as the USG should finance the certification. Osei-Opare said she accepted that the GOG had the responsibility to ensure that cocoa was child labor-free, but she pleaded that her resource-strapped ministry had no budget to address the problem. Industry reps and MMYE officials set aside the funding issue and continued meeting to work out the logistics of a certification process.

14. (SBU) Industry reps told MMYE officials that to prevent legislation, a senior GOG official would need to publicly state the GOG's commitment to eliminate the worst forms of child labor in cocoa sufficiently in advance of the July 1 deadline. Industry reps said only a Cabinet member of high stature such as the Minister of Trade and Industry, Minister of Finance or President Kufuor himself would be a credible

spokesperson on this issue. (Note: Trade and Industry has responsibility for Ghana's cocoa exports while Finance oversees COCOBOD, the cocoa marketing board. End note.) They suggested that Kufuor personally call members of Congress to convey the GOG's commitment.

15. (SBU) On May 27 industry reps left Ghana with no funding arrangement yet established. Osei-Opare told industry that she would personally call Jake Obetsebi Lamptey, Minister of Tourism and Modernisation of the Capital City and President John Kufuor's two-time presidential campaign manager, to ask him to inform Kufuor of the July 1 deadline and its ramifications by no later than May 27. However, she told post on June 7 that she never made the call. She said MMYE was consumed with the verification pilot and her only outreach on this issue was to brief Deputy Minister of Finance Dr. George Djan-Baffour. She said she planned to meet this week with Djan-Baffour, a counterpart at the Ministry of Trade and Industry and COCOBOD Chief Executive Kwame Sarpong who is known to have direct access to Kufuor on cocoa matters. She also said she would press for a meeting with President Kufuor on this issue. (Note: Among senior Cabinet members, only Minister for Finance and Economic Planning Kwadwo Baah Wiredu has addressed this issue publicly since Kufuor's re-election. He made a brief remark in the business press noting that he had meetings in Washington on this topic earlier this year. End note.)

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MORE GOG MEETINGS  
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16. (SBU) On May 23 industry reps met with Jake Obetsebi Lamptey, Minister of Tourism and Modernisation of the Capital City and President John Kufuor's two-time presidential campaign manager. The U.S. companies told Poloff they were alarmed to hear Lamptey deny outright that Ghana used child labor in cocoa production. They said that despite their close work with MMYE over the past two years and numerous trips to Ghana, clearly the GOG was spotty in its acknowledgment of the problem at its highest levels. They later told MMYE officials that if Lamptey's comment had appeared in the press, it would have undermined all their efforts to persuade members of Congress that significant progress toward certification had been made. Osei-Opare said she completely agreed and that President Kufuor needed to understand how seriously legislation could harm Ghana's economy and international image.

17. (SBU) On May 27, industry reps and their lobbyist met Minister of Trade and Industry Alan Kyerematen to press for a senior GOG official to take political leadership on the issue. Industry's lobbyist, a former USTR official who reportedly consults with the ministry on AGOA-related opportunities, praised Kyerematen's skill, as a former Ambassador to the U.S., in lobbying members of Congress to block clauses that would have rendered AGOA less effective. She said the GOG needed to settle on a credible certification process and take it public in advance of the July 1 deadline.

18. (SBU) Kyerematen said he first became aware of the issue as Ambassador to the U.S. in 2001 when British media reports accused Cote d'Ivoire of using child slaves on cocoa plantations. Kyerematen told industry reps, "In Washington, you need someone speaking for you." He agreed that the issue had the potential to seriously damage Ghana's cocoa exports

and international image, particularly if Ghana were believed to be using child slaves in cocoa farming. He said international observers must understand that Ghana is addressing the poverty and lack of access to rural education that result in child labor through a range of initiatives, including expansion of basic education, school lunch programs and the GOG's poverty reduction strategies. He also suggested that the Minister of Education and Sports Yaw Osafo-Maafo and the Minister of Finance could issue a public statement on GOG's comprehensive approach to rural poverty and education. While Kyerematen appeared receptive to industry's requests for lobbying, he did not make any specific commitments to speak out on the issue. However, the industry's lobbyist proposed working with Kyerematen on a letter that would be

sent to key members of Congress, including the African Trade and Investment Caucus. The lobbyist proposed that he use his upcoming trip to the U.S. to inform members of Congress on the GOG's efforts. He was noncommittal on these suggestions.

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POST ADVOCACY  
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9. (SBU) On May 27 the Ambassador met with U.S. manufacturers to discuss their advocacy efforts. Industry reps said they had received a letter on May 24 from Senator Harkin which acknowledged that much progress had been made on the cocoa/child labor issue but requested a specific timetable for when certification could be rolled out sectorwide. Industry reps told the Ambassador they were unwilling to hang their careers on fixed dates in a region with so much unpredictability.

10. (U) The Ambassador suggested that the manufacturers encourage Trade Minister Kyerematen to address the issue in his speech to the Corporate Council on Africa in Baltimore on June 22. (Actin Minister of Finance Chief Director Seth Addo said Kyerematen is traveling, and he does not know Kermaten's plan or whether he has spoken to Kufuor about the issue. On June 7 industry's lobbyist said she had no knowledge of any GOG plans to speak out and that she believed the GOG was still doing due diligence on the extent of the problem and possible solutions.) On June 3, the Ambassador briefed Minister of Foreign Affairs Nana Akufo-Addo about the cocoa issue, encouraging some GOG engagement on the issue during President Kufuor's June 13-14 trip to Washington.

11. (U) Later on June 3, PolChief briefed the President's secretary D.K. Ossei, who is also going to Washington with

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Kufuor, on the cocoa issue. Neither he nor the Foreign Minister were aware of this issue prior to post's meeting but appeared to understand its importance. Poloff also accompanied U.S. manufacturers to their earlier meetings with the MMYE and with Trade Minister Kyerematen.

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Comment  
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12. (SBU) The next few weeks will be critical for the U.S. manufacturers in their efforts to put together some kind of child labor certification plan. There is potentially a great deal at stake for Ghana as well, given the importance of cocoa to its economy. After the May 24 meeting with MMYE, U.S. industry reps said Osei-Opare was visibly shaken by the burden of this issue, which has such large ramifications for Ghana's economy. As the lead GOG ministry charged with addressing child labor, MMYE has exerted much energy on this issue. However, this ministry does not have the standing in the Cabinet to claim the vast resources required to address the worst forms of child labor in cocoa, nor do its leaders have the credibility to lead Ghana to undertake significant change in a critical sector of its economy. While MMYE is taking the issue seriously, it has not yet garnered much attention from senior Cabinet members or the President. Without Kufuor's explicit blessing, likely Presidential contenders like the Trade and Foreign ministers will be cautious on this politically sensitive issue, which could affect the livelihood of thousands of cocoa producers here.

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